



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

JUL 10 2018

Scott Taylor for Delegate  
4001 Virginia Beach Blvd. #117-731  
Virginia Beach, VA 23452

RE: MURs 7078 and 7084

Dear Mr. Taylor:

On June 3, 2016, the Federal Election Commission (the "Commission") notified Scott Taylor for Delegate (the "Committee"), of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. On June 28, 2018, the Commission exercised its prosecutorial discretion to dismiss allegations that the Committee violated 52 U.S.C. § 30125(e)(1)(A), and 11 C.F.R. § 110.3(d). Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). A Factual and Legal Analysis is enclosed. A Statement of Reasons further explaining the basis for the Commission's decision may follow.

If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Mark Shonkwiler  
Assistant General Counsel

Enclosure  
Factual and Legal Analysis

**FEDERAL ELECTION COMMISSION**

**FACTUAL AND LEGAL ANALYSIS**

**RESPONDENTS:** Scott Taylor for Delegate

**MUR 7078**

**I. INTRODUCTION**

This matter was generated by a Complaint filed by Lisa Clarkson. The Complaint alleges that Scott Taylor for Delegate violated the Federal Election Campaign Act of 1971, as amended (the "Act") and Commission regulations by using nonfederal funds to finance federal campaign activity. The Commission dismisses the allegation that Respondent violated the Act or regulations.

**II. FACTUAL BACKGROUND**

Scott Taylor was a Member of the Virginia House of Delegates, and ran for Congress in Virginia's Second District in 2010 and 2016.<sup>1</sup> The Complaint alleges that Scott Taylor for Delegate provided unreported in-kind contributions to Taylor's federal committee using nonfederal funds.<sup>2</sup> From January through February 2016, the federal committee's website used the same URL as Taylor's state legislative campaign, and the hosting of that website was purportedly paid for by Scott Taylor for Delegate.

**III. LEGAL ANALYSIS**

A federal candidate, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of a federal candidate, is prohibited from soliciting, receiving, directing, transferring, or spending funds in connection with an election for federal office that are not subject to the limits, prohibitions, and reporting requirements of the Act.<sup>3</sup>

<sup>1</sup> Taylor lost the Republican Primary in 2010, and won election to Congress in 2016.

<sup>2</sup> Compl. at ¶ 8 (June 1, 2016).

<sup>3</sup> 52 U.S.C. § 30125(e)(1)(A); 11 C.F.R. § 300.61.

1 Virginia law permits a state committee to accept unlimited direct contributions from any  
2 individual, corporation, union, association, or partnership.<sup>4</sup> Therefore, Taylor's Virginia state  
3 committee account may contain funds not subject to the Act's limits and prohibitions.  
4 Commission regulations prohibit the transfer of funds or assets from a candidate's nonfederal  
5 campaign committee to his or her federal committee.<sup>5</sup>

6 The record indicates that Scott Taylor for Delegate incurred expenses for hosting the  
7 federal committee's website. However, the value of those expenses appear to be *de minimis*, and  
8 the Committee is no longer using the state committee's website.<sup>6</sup> Accordingly, the Commission  
9 dismisses the allegation that Scott Taylor for Delegate violated 52 U.S.C. § 30125(e)(1)(A) or  
10 11 C.F.R. § 110.3(d).<sup>7</sup>

<sup>4</sup> See Virginia Department of Elections, Summary of Laws and Policies: Candidate Campaign Committees (Sept. 14, 2015) at 17; 52 U.S.C. §§ 30116(a), 30118(a).

<sup>5</sup> 11 C.F.R. § 110.3(d); see also Transfers of Funds from State to Federal Campaigns, 57 Fed. Reg. 36,344 (Aug. 12, 1992) (Explanation and Justification).

<sup>6</sup> A review of the website as of October 2016 reveals that the domain hosted by the state committee, <http://scotttaylorforva.com/>, is no longer available, and that the Committee website is now <http://scotttaylor.us/>. The new site includes a disclaimer stating that the website is paid for by the federal Committee.

<sup>7</sup> See *Heckler v. Chaney*, 470 U.S. 831 (1985); MUR 6773 (Nestande, *et al.*) (dismissing use of nonfederal funds allegation because expenses were *de minimis*).